GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4214
ANSWERED ON:12.12.2016
Service Export from India Scheme
Panda Shri Baijayant "Jay"

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has replaced the "Served from India" Scheme with the "Service Export from India" Scheme (SEIS) in the new Trade Facilitation Policy and if so, the details thereof;
(b) whether this Scheme applies to Service providers located in India instead of Indian service providers;
(c) if so, the details thereof along with rationale for not extending such provisions to industries other than services;
(d) whether the Government is considering to extend the SEIS to businesses located in India, employing Indian workers and paying Indian taxes, since there is no difference between such firms and the ones who are covered under the Scheme; and
(e) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a): Yes, Madam. The Government has introduced the Service Exports from India Scheme (SEIS) w.e.f. 01.04.2015 under the Foreign Trade Policy (FTP), 2015-20 replacing the earlier scheme "Served from India Scheme' under the FTP, 2009-15. Under SEIS, the service providers of notified services are incentivized in the form of Duty Credit Scrips at the rate of 3 or 5% on their net foreign exchange earnings. These SEIS scrips are transferrable and can also be used for payment of a number of Central duties/taxes including the basic customs duty.
(b) & (c): Yes, Madam. Apart from services, there is also a scheme for incentivizing export of merchandise/goods. The Merchandise Exports from India Scheme (MEIS) in the Foreign Trade Policy (FTP) 2015-20 operating since April 1, 2015 rewards export of merchandise which are produced/manufactured in India through Duty Credit Scrips which are transferable and can be used to pay Central duties/taxes including customs duties.
(d) & (e): SEIS and MEIS schemes are designed to make our exports (both services & goods) globally competitive.